

Five Strategies

FOR MEETING FAMILY, FINANCIAL,
AND CHARITABLE OBJECTIVES



For generations, the Eastman School of Music has benefited from the generosity of alumni, parents, and friends who invest their time, financial resources, and talents in preparing students for meaningful lives in music.

The reasons for planning a legacy gift are different for each person: to express gratitude for an excellent education; to ensure that new generations of students have access to world-class faculty and extraordinary experiences; to honor the memory of a loved one; to sustain and grow programs, cutting-edge research, or construct the finest facilities.

Regardless of the reason, thoughtful gift planning can provide a fulfilling personal legacy, help pave the way for an even brighter future at Eastman School of Music, and potentially provide benefits for you and your family members.

Throughout this brochure, you will find a number of ways that can help you make an enormous difference.

Including the Eastman School of Music in Your Will

A BEQUEST IS SIMPLE AND CONVENIENT AND PROVIDES YOU WITH A NUMBER OF OPTIONS

You can make a bequest for a specific dollar amount or for a percentage of your estate. You can designate your bequest for general use, or you can restrict its use.

Many people establish endowments that honor the memory of a family member or another loved one. These endowments live forever, because only the income is used annually. Since a will is an important legal document, you should seek an attorney's help.

Here are some examples of different types of bequests:

- Specific bequests are used to make a gift of a specific dollar amount, or specific assets such as securities, real estate, or personal property.
- Residuary bequests are used to give all or a portion of the rest, residue, and remainder of your estate after payment of expenses and any specific amounts designated to heirs or other beneficiaries.

To assist you with this important process, please consider contacting us for suggested wording and to document your wishes.

Beneficiary Designation of Life Insurance

or Retirement Assets

Name the University as a beneficiary on the form provided by your asset manager. Review the form with your attorney to discuss how such a gift can be incorporated in your plan. Life insurance and retirement assets that pass directly to the University are preserved 100 percent free of tax and your estate is also eligible for a charitable tax deduction.



JUDITH ROSENBERG '68E, '70E (MM)

“The reason I have bequeathed a gift to the Eastman School of Music can be summed up in three words: to give back. Eastman provided me with an excellent, rigorous education along with financial aid in the form of a graduate assistantship. I was then able to earn two degrees in piano performance from one of this country’s premiere music schools, without which I could never have achieved a faculty appointment in academia, a position I held for 37 years.

It is my hope that this gift will contribute to the education and career of future generations of pianists at Eastman, who, but for lack of funds, would be denied this opportunity. I wish to give back to the school to which I owe so much.”



Charitable Remainder Unitrust:

Variable Income for Life

Cash, securities, real estate, life insurance, or personal property can be gifted to fund a trust. These trusts are managed within the University endowment, which provides beneficiaries access to diversity and alternative investments. This option provides variable income for life, or a term of years for one or two individuals, and possibly another generation. The minimum gift amount is \$50,000.

ADDITIONAL BENEFITS

- Immediate charitable income tax deduction
- Minimum payout is five percent
- 100 percent avoidance of capital gains tax on the transfer, if funded with appreciated assets
- Re-valued annually to reflect investment performance, providing opportunity for growth in income

Charitable Gift Annuity: Fixed Income for Life

This simple contract provides fixed income for one or two individuals. Cash or securities can be gifted to fund a gift annuity. The minimum gift amount is \$5,000.

ADDITIONAL BENEFITS

- Immediate charitable income tax deduction
- Potential for a portion of income to be tax-free
- Tax avoided on part of capital gain, if funded with appreciated securities
- Income can be immediate (typically age 50 and older) or deferred

PAYOUT RATES BASED ON AGE OF BENEFICIARY

| Single Life | | Two Life | |
|-------------|--------|----------|--------|
| AGE | PAYOUT | AGE | PAYOUT |
| 60 | 4.7% | 60-60 | 4.1% |
| 65 | 5.1% | 65-65 | 4.5% |
| 70 | 5.6% | 70-70 | 5.0% |
| 75 | 6.2% | 75-75 | 5.5% |
| 80 | 7.3% | 80-80 | 6.2% |
| 85 | 8.3% | 85-85 | 7.3% |

American Council on Gift Annuities rates as of July 1, 2018.



KENNETH CARPER '79E (MM)

“My wife, Carol, and I are at a time in our lives when we are making estate plans and we have been thinking about institutions that have meant a lot to us. My career was in music education, and both Carol and I remain very active with the New Horizons music program that began at the Eastman School more than 25 years ago. My education and many memorable experiences at Eastman were life-changing. It is my hope that our bequest gift to fund student scholarships at Eastman will help make this experience available to deserving students for many years.”



The IRA Charitable Rollover: Tax-Free Gifts from Retirement Accounts

Normally, a distribution from your IRA is taxed as ordinary income. However, if you are 70½ years or older, you are eligible to make a direct gift to the University of Rochester tax-free.

- You must be 70½ and transfer funds directly from your IRA to the University
- A gift “counts” toward your required minimum distribution (RMD)
- Gifts are limited to \$100,000 annually per person (a married couple with separate IRAs could give up to \$200,000 a year)
- Distributions can be made only from a traditional or Roth IRA; retirement plans such as pensions and 401(k) or 403(b) plans must first be transferred to an IRA

- A transfer is tax-free and is not included in your adjusted gross income and no charitable income tax deduction is allowed
- A transfer is not subject to the 60 percent of AGI limitation on charitable deductions
- Gifts must be outright—transfers to donor-advised funds, supporting organizations, private foundations, charitable remainder trusts, or charitable gift annuities do not qualify

You should consult your tax advisor about the applicability to your own situation of the legal principles contained herein.

The Protecting Americans from Tax Hikes (PATH) Act of 2015, which was passed by Congress and signed into law by the president on December 18, 2015, made permanent what is popularly known as the IRA charitable rollover.



The Wilson Society

A planned gift to the University of Rochester is one of the easiest ways to ensure the greatest and most lasting impact on the programs you care about. These gifts qualify you to become a member of the Wilson Society and ensure the areas you value most continue to thrive at the University well beyond your lifetime.

Your membership gives voice to your vision for Rochester's future, and serves as inspiration for others. By planning a gift, you create an opportunity to make an indelible mark on the University and ensure your legacy.

From the River Campus and the Medical Center to the Eastman School of Music and the Memorial Art Gallery, you will find legacies in the form of named spaces, permanent endowed funds for scholarships, fellowships, and professorships.

**TO LEARN MORE, VISIT
WWW.ROCHESTER.EDU/GIVING/WILSONSOCIETY**